

WASHINGTON, DC -- Congresswoman Linda Sánchez, Chairwoman of the House Judiciary Subcommittee on Commercial and Administrative Law (CAL), issued the following statement today, welcoming the introduction of the "Protecting Employees and Retirees in Business Bankruptcies Act of 2007." Chairwoman Sánchez was unable to participate in the press conference announcing the new legislation due to a concurrent subcommittee mark up on her bill to provide more resources to local law enforcement.

"I want to thank Chairman Conyers for introducing this landmark legislation, the Protecting Employees and Retirees in Business Bankruptcies Act of 2007 and I am pleased to be an original cosponsor. I am also proud to stand with our brothers and sisters in organized labor to support this important bill.

"This legislation will address some of the most significant injustices suffered by workers and retirees in large corporate reorganizations. Earlier this month I held a hearing in the Subcommittee on Commercial and Administrative Law where we heard about the gross inequities that occur when companies reorganize under current bankruptcy law. While workers and retirees are asked to bear the brunt of the pain, sacrificing pensions they've worked their entire career to build up, executives' benefits remain unscathed and some even get huge bonuses!

"This legislation will address this unfairness, which we've seen too often: in airline reorganizations, in steel bankruptcies, in the Enron bankruptcy, in the auto industry and in many other cases.

"Employees and retirees don't want to destroy a company in bankruptcy. They have as much at stake in the company's future as anyone. Their families, their future, and their communities depend on a successful reorganization, but they should not have to carry the burden alone. And workers shouldn't be left holding the bag when the truth comes out that those who were paid the big bucks to make the right business decisions in fact made the wrong ones.

"Most of you know I got my start in the labor movement. It is a privilege to be able to carry on my advocacy for working families in the Congress. Too often, working people and retirees don't have a voice here in Washington. Today, Congress is listening. And with this bill, we're giving working people a voice."